



PRESS RELEASE

14 February 2023

K2A submits year-end report for 2022

Today K2A Knaust & Andersson Fastigheter submitted its year-end report for January – December 2022. Net operating income amounted to 243.0 million. Net profit amounted to SEK 159.1 million.

OCT – DEC 2022

- Rental income amounted to SEK 105.0 million (79.7)
- Net operating income amounted to SEK 64.6 million (49.6)
- Profit from property management amounted to SEK -13.1 million (131.9)
- Changes in value for investment properties amounted to SEK -303.7 million (371.4)
- Net profit for the period amounted to SEK -274.3 million (433.6) and earnings per ordinary share amounted to SEK -3.40 (4.86)

JAN – DEC 2022

- Rental income amounted to SEK 374.7 million (272.7)
- Net operating income amounted to SEK 243.0 million (183.9)
- Profit from property management amounted to SEK 127.6 million (167.6)
- Changes in value for investment properties amounted to SEK 1.5 million (741.9)
- Net profit for the year amounted to SEK 159.1 million (756.5) and earnings per ordinary share amounted to SEK 1.08 (8.10)
- The total number of apartments under management at the end of the year amounted to 5,012 (3,910)
- The Board of Directors proposes that a dividend of SEK 0.15 per ordinary share (0.15) be paid to ordinary shareholders. The Board of Directors proposes that a dividend be paid to preference shareholders in accordance with the Articles of Association, which means a quarterly dividend of SEK 5.00 per preference share (a total of 20.00 per year).

2022 was an eventful year for K2A. The company has continued to grow as construction projects are completed and properties acquired. At the end of the year, the company had 5,012 dwellings under management. For the full year, rental income amounted to SEK 374.7 million and net operating income was SEK 243.0 million, up 37.4 percent and 32.1 percent, respectively. K2A's goal is to increase its net operating income, on average, by 25 percent per year.

At the same time, the global turmoil and rising interest rates following in the wake of Russia's invasion of Ukraine have changed the conditions for the real estate market. K2A acted early on in 2022 by increasing the availability of capital, as well as laying off staff in our timber house factories and entering into additional derivative contracts in the form of interest rate swaps. Today, 82 percent of K2A's interest-bearing liabilities are interest-rate hedged at year-end. Excluding construction credit, the share of hedged loans amounts to 95 percent.

Changes in value for the full year amounted to SEK 1.5 million. A rise at the beginning of the year was matched by an almost equal fall, SEK 303.7 million, in the fourth quarter. K2A's growth target for the 2019–2025 period is for the long-term net reinstatement value, EPRA NRV, to grow on average by at least 20 percent per year. In 2022, EPRA NRV per ordinary share rose 0.8 percent. The average increase for the 2019 to 2022 period amounts to 28 percent per ordinary share.

“K2A is characterised by a strong green profile with a long-term plan to build up a significant portfolio of attractive, high-quality residential properties in strong growth locations. This vision has not changed, but given the global turmoil and rising interest rates, financial stability is being prioritised over growth. K2A will not start new projects unless the conditions are right. Being focused on the long term requires controlled growth,” says Johan Knaust, CEO of K2A.

This disclosure contains information that K2A Knaust & Andersson Fastigheter AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU no. 596/2014). The information was submitted for publication, through the agency of the contact person, on 14 February 2023.

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K2A Knaust & Andersson Fastigheter AB – the green real estate company – provides long-term management of rental apartments for all types of housing and community services properties. The company's markets are in Stockholm, the Mälardalen region and a number of university towns elsewhere in Sweden. See also www.k2a.se.

K2A's B shares (K2A B) and preference shares (K2A PEF) are listed on Nasdaq Stockholm.